

Commonwealth of Massachusetts
Department of Telecommunications and Energy
Fitchburg Gas and Electric Light Company
Docket Nos. D.T.E. 02-24/25
Responses to the Department's Seventh Set of Information Requests

Request No. DTE 7-19 (Gas):

Refer to the testimony of James L Harrison (Gas) at 17. Please describe in detail the "allocators for residual production capacity . . . discussed earlier."

Response:

The allocation of residual production capacity costs allocated on the basis of remaining demand is a central concept in the Market Based Allocation (MBA) method. Beginning on page 9 of 48 of the direct testimony of James L. Harrison (Gas) the allocation of capacity costs for remaining load is discussed. On page 10, beginning at line 21, this allocation process is discussed further, contrasting it with earlier versions of the remaining demand allocation. The critical elements of the remaining demand allocation are shown on Schedule JLH-4 (Gas) page 2 through 5. The workpapers supporting these calculations were also included in the filing.

Person Responsible: James L. Harrison